

## **Water and Waste Water Cost Reduction Strategies**

Local governments provide water and wastewater services in a variety of ways:

- Counties – by special district
- Cities – city-wide
- Towns – by special district
- Villages – village-wide

The Department of State, through its Local Government Efficiency program (LGE), has identified a significant number of best practices for cost reduction in the delivery of these services.

### **Consolidation of Services**

- Eliminates duplicative equipment expenditures, operational and administrative costs
- Increases response time per incident
- Efficient deployment of equipment
- Standardized accounting, billing and budgeting reduces time and waste

Conservative cost estimates of repairing, replacing, and updating New York's drinking water infrastructure have reached almost \$40 billion over the next 20 years. To better meet their infrastructure needs the Cities of Lockport and North Tonawanda completed a plan to consolidate their drinking water systems to reduce and/or mitigate the cost of water services to their ratepayers. It is anticipated that this project will help the cities and their residents realize \$10.4 million in savings over the next ten years.

### **Sharing Infrastructure**

- Avoids duplicative capital expenditures
- Cost-effective way to upgrade deficient systems
- Municipalities retain independence

The Town of Glenville, Town of Clifton Park and the Niskayuna Central School District recognized the complexity and cost of repairing and replacing worn-out sewer lines and failing septic systems would be more cost effective by working together to repair and expand the Alplaus Sewer District No. 1 system. Extending the sewer lines to serve the school district and 432 residences increased revenue and removed aging septic systems from service, avoiding costly potential environmental impacts to ground water.

The estimated minimum yearly savings of \$255,789.00 is based on reduced debt service for taxpayers in Alplaus Sewer District #1. The Old Nott Sewer District and the Alplaus waste water treatment plants were eliminated, further reducing operating and maintenance costs. Under the consolidation, 2.5 full time positions will be phased out.

Over a five year period the personnel savings alone increases to \$771,275.00. The direct impact to a household exceeds \$740.00 annually.

### **Contracting for Services**

- Municipalities with excess capacity and lower costs contract with other municipalities to provide services
- Allows municipalities to be relieved of operating and capital costs of providing services
- Provides an additional revenue stream for service provider
- Contractor receives service at lower cost than if it provided the service itself

The Town of Evans transferred operation and maintenance of the Town's water system to the Erie County Water Authority resulting in annual savings of \$666,097, as well as \$12.6 million in enhancements to the current water system. Residents have realized reductions in their water rates from \$4.95/1000gallon to \$4.75/1000gallon.